

## **News Release**

### **COMPANY SELLING BOGUS “AUTO BONDS” IN KENTUCKY**

#### ***Claims to be a substitute for mandatory auto insurance***

FRANKFORT, Ky. (Sept. 22, 2005) – A company in Washington state is selling Kentuckians bogus “auto bonds,” claiming that the product is a viable substitute for mandatory automobile insurance. The practice was uncovered after an employee from a Louisville lending institution contacted the Kentucky Office of Insurance (KOI).

The Global Healings Society, owned by Joseph-Michael Gardinier, offers a variety of products via its Web site to those who pay a membership fee. For a \$300 annual payment, purchasers are provided with a “financial responsibility agreement” that buyers are told serves as a replacement for auto insurance. Under the terms of the bond, the group promises to pay the auto claims of any member. The bonds may be marketed as “The Auto Bond” or “Community Financial Bond.”

Regulators in other states have charged the group with unauthorized, unlicensed and fraudulent insurance sales. In June, the Florida attorney general’s office charged Gardinier and Global Healings \$550,000 in fines and restitution to affected consumers. Other states, including Nevada, Oregon, Montana and Washington, have taken action against the group.

“We take a very dim view of operations such as this one,” said Glenn Jennings, executive director of KOI. “We urge consumers to contact us to verify the status of any organization soliciting for insurance-related business in the state. Our staff can also answer questions about products, like this one, that seem questionable.”

Kentucky residents who have purchased these products should call KOI’s toll-free number, (800) 595-6053, and ask to speak to Christopher Barton in the Office of Legal Services.